

EXHIBIT A

January 25, 2024 – Update for Employees: Questions Regarding Pay and Employment Status

As you are aware, a lawsuit was filed on January 10, 2024 by the Consumer Financial Protection Bureau and seven state attorneys general against StratFS alleging StratFS is taking advanced fees in violation of the Telemarketing Sales Rule (“TSR”) and other statutory violations. On January 11, 2024, a federal Court issued a temporary restraining order (“TRO”), froze the related companies’ assets, and appointed what is known as a receiver. The receiver was directed to take temporary control of the companies until a preliminary injunction hearing takes place on February 1-2, 2024. After that hearing, the Court will determine what to do with these businesses going forward.

Periodic updates will be posted on this page.

We realize this is a difficult and uncertain time for employees of StratFS. We have received many emails in the last two days which ask very similar questions about pay and employment. Answers to the most common questions are set out below.

1. Will employees be paid for the pay period January 9 through January 12 before the TRO was entered and a receiver came on site?

Answer: The receiver does NOT have authority to pay pre-receivership obligations absent a further order from the Court. TRO IX(J) “The Receiver shall apply to the Court for prior approval of any payment of any Debt or obligation incurred by the Receivership Defendants prior to the date of the entry of this Order, except payments that the Receiver deems necessary or advisable to secure the Assets for the Receivership Defendants, such as rental payments.”

The receiver intends to seek permission from the Court to make payroll payments to the majority of StratFS employees for the January 9-12 period. The receiver will not seek permission to pay senior company executives (SVP and up with one exception), and he will only request authority to pay base pay for sales positions. If the Court grants the receiver permission, we will work towards having the payments made on January 31.

2. Will employees be paid after January 12?

Answer: At present, the receiver does not anticipate making further payroll payments to employees who have not been asked to return to work. For those who have returned to work, the pay will resume as of the return date.

3. How long will my health insurance coverage last?

Answer: We understand StratFS has paid the health insurance premium for January and therefore coverage will continue through the end of January. We hope to provide additional health insurance information next week.

4. What is my employment status?

Answer: If you have not been asked to return to work at this point, it is unlikely that you will be asked to return prior to the preliminary injunction hearing on February 1-2. This may change depending on our review of the business and the outcome of the preliminary injunction hearing scheduled, which is set to begin on February 1st, and the amount of assets available to the receivership estate. The Court will set its own timetable for deciding next steps, but it is expected that the Court will act quickly. We cannot advise whether you qualify for unemployment; you should contact the appropriate state agency to address this question.

5. I was a law firm employee; how will I be paid?

Answer: The law firms are not Receivership Defendants; the receiver does not have authority to act on behalf of the law firms. You must reach out to your employers and inquire about payment.

6. Can I be provided my 2023 W-2 form?

Answer: ADP should be providing tax forms in the normal course.

Finally, we sincerely appreciate that this a stressful and uncertain time for employees of StratFS.

We will post periodic updates to employees on this page. Should you need additional guidance, we suggest you review the information published by the New York State Department of Labor: www.dol.ny.gov.

If you have particular questions, please send them to info@regulatoryresolutions.com, and we will do our best to respond.